

VZCZCXRO7226
PP RUEHDE RUEHDIR
DE RUEHMS #0728/01 2901419
ZNY SSSSS ZZH
P 161419Z OCT 08
FM AMEMBASSY MUSCAT
TO RUEHC/SECSTATE WASHDC PRIORITY 0031
INFO RUEHZM/GULF COOPERATION COUNCIL COLLECTIVE
RHMFISS/CDR USCENCOM MACDILL AFB FL
RHEHNSC/NSC WASHDC

S E C R E T SECTION 01 OF 05 MUSCAT 000728

NOFORN
SIPDIS

DEPARTMENT FOR S/ES, D, G, NEA AND PM

E.O. 12958: DECL: 10/16/2018
TAGS: [PHUM PREL](#) [SMIG MASS](#) [ECON ETRD](#) [ELAB MU](#)
SUBJECT: UNDERSTANDING AND MOVING ON FROM OMAN'S HARSH
REACTION TO THE TIP REPORT

REF: A. MUSCAT 624 (NOTAL)

- [1](#)B. MUSCAT 616
- [1](#)C. MUSCAT 608
- [1](#)D. MUSCAT 527
- [1](#)E. MUSCAT 480
- [1](#)F. MUSCAT 432
- [1](#)G. MUSCAT 425
- [1](#)H. MUSCAT 047

Classified By: Ambassador Gary A. Grappo for Reasons 1.4 (b, d)

SUMMARY

[1](#)1. (C) There are likely several reasons behind Oman's hypersensitivity and reaction to its Tier 3 ranking in the 2008 Trafficking in Persons (TIP) report: its unspoken past involvement in the slave trade, its strong desire to protect and shape its national image, and its devotion to the principle of non-interference in the affairs of other nations. Senior Omanis, the Sultan included, felt betrayed and "stabbed in the back" by the TIP report, in part because they believed political considerations in Washington either motivated the ranking or should have kept Oman off the list of worst offenders. In addition, perceived Omani grievances against the U.S. -- including sharply reduced FMF, the lack of a POTUS or S visit, and delay in implementation of the U.S.-Oman Free Trade Agreement (FTA) -- may have further fueled Omani doubts, suspicions and hard feelings surfaced by the TIP dispute.

[1](#)2. (C) Fortunately, once Oman is removed from Tier 3, the Sultan and his ministers appear ready to put this uniquely unpleasant but brief chapter in our otherwise strong bilateral relationship behind them (ref A). By taking several concrete steps -- such as increased FMF, a senior official visit, FTA implementation and visa reciprocity -- we can restore and strengthen trust between the U.S. and Oman while continuing to educate the Omanis on their responsibilities to combat TIP. Making TIP more of a multilateral issue by proposing that the Omanis work with a respected international organization/UN agency in addressing trafficking in Oman, as well as elsewhere in the Gulf, would also help overcome Omani defensiveness and further encourage the government to take anti-TIP measures. End Summary.

[1](#)3. (C) On the surface, Oman's visceral reaction to its placement on Tier 3 in the Department's 2008 TIP report appears extreme (refs D-G). We may understandably ask, "Why would Oman threaten to reevaluate its entire bilateral relationship with the U.S., described as 'strategic' by its most senior officials, over this one issue, especially when other GCC countries on Tier 3 responded in a more tempered

fashion?" The answer to this question reflects both Oman's particular sensitivities to criticism in general and specifically related to trafficking, as well as simmering points of contention among some senior Omanis over the Sultanate's relations with the U.S. (Note: Omani officials are becoming increasingly agitated over the delay in the release of the final Tier rankings, suspecting that a dispute over the Sultanate's ranking is behind the postponement. Moreover, the government continues to deny Embassy requests for cooperation on some bilateral issues because of the TIP report. End Note.)

A DARK CHAPTER IN OMANI HISTORY

¶4. (C) During its rule of Zanzibar and strong commercial presence in East Africa in the 18th and 19th centuries (which extended as far south as Madagascar and into Central Africa), Oman played a major role in the African slave trade. Slavery was not officially declared illegal in Oman until Sultan Qaboos ousted his father in 1970. While a matter of historical record elsewhere in the world, Oman's slave-trading past remains a strictly taboo subject in the Sultanate today. The government has never acknowledged Oman's participation in the slave trade and it is never discussed in any local fora, including academic circles. Textbooks in Omani schools and universities make no mention of Oman's otherwise well documented role in the African slave trade. Given the direct comparisons frequently drawn by some anti-TIP activists between trafficking and slavery -- the Arabic term for trafficking in persons is "itjar bi

MUSCAT 00000728 002 OF 005

al-bashar," which may also be translated as "trading in people" -- the Omani government is accordingly very sensitive to charges that it is tolerant of or has failed to take action against "modern day slavery" on its own soil.

IMAGE IS EVERYTHING

¶5. (C) The primary reason the Sultanate has so far refused to come to terms with its slave-trading past is another key factor in Oman's outrage over the Tier 3 ranking -- namely, its near obsession with protecting its public image. The Omani government has worked very hard to establish and maintain an image of a country almost devoid of significant social problems. Justifiably proud of its record of accomplishments since Sultan Qaboos assumed power -- a period now referred to as the "Blessed Renaissance" -- Oman's carefully cultivated image is also closely tied to traditional local notions of honor in the true sense of Arabian Peninsula tribal customs. While Oman seeks to project an idealized picture of itself to the outside world, it is even more vigilant in preserving this image among its own populace. Newspaper, radio and television (all either state-owned or subject to close official supervision) provide a daily diet of, to an outsider, mind-numbingly sunny coverage. Local reporting on controversial subjects and/or topics that expose domestic problems is essentially non-existent, and even reporting that is the staple of local news in most countries -- reports on traffic accidents, fires and petty crimes, for example -- is rare. "Only the good news is fit to print" is, with few exceptions, the guiding policy of all domestic media outlets.

¶6. (C) Within this context, Oman's Tier 3 TIP ranking pulled back the veil on an ugly aspect of the Sultanate and exposed it for all to see. Omani citizens were presented with an official U.S. report that asserted their harmonious and tranquil society was not as idyllic as the government claimed. Moreover, Oman's inadequate response to its trafficking problem, according to the USG, placed the Sultanate in the ranks of perennial human rights abusers such

as North Korea and Cuba. After a steady stream of feel-good news stories that often trumpet the high esteem in which the rest of the world holds Oman, such a bitter pill was hard to swallow for the government and for the Omani public. Besides being perceived as inaccurate, the ranking was seen by many as a direct affront to Oman's national pride.

UNWELCOME IN PRINCIPLE, AS WELL AS IN TIMING

17. (C) In addition to the actual content of the TIP report, the Omani government still bristles at the concept of being graded or ranked in a report by another country. It should be noted that the Omanis also chafe at our annual human rights report. One of the pillars of Oman's foreign policy under Sultan Qaboos has been non-interference and mutual respect in the affairs of other nations (ref H). This guiding principle is long-standing and firmly entrenched in the mind of the Sultan and senior Omanis. Thus to be directly criticized by a foreign government, particularly a friendly one, on an internal matter is seen as particularly offensive and an indication of a distinct lack of respect. A corollary to its principle of non-interference has been Oman's refusal to take action as a result of outside pressure.

18. (C) That the Omani government saw its Tier 3 ranking as a complete surprise -- whether it should have or not -- compounded hard feelings. Both prior and subsequent to last year's Tier 3 ranking and throughout the most recent reporting period, post repeatedly pointed out to our interlocutors anti-TIP steps that the government needed to take, but on which they ultimately failed to comprehensively act. Despite this "notice," however, Oman's TIP ranking was not previewed -- as requested by post -- during the May visit to Washington, D.C. by MFA Secretary General Sayyid Badr al-Busa'idi for the U.S.-Oman Gulf Security Dialogue (GSD). As a result, Sayyid Badr and other officials literally and personally felt ambushed and said so to the Ambassador.

"STABBED IN THE BACK"

MUSCAT 00000728 003 OF 005

19. (C) To Omanis in general, and especially the senior leadership, the TIP report/ranking represented a betrayal by the U.S., caused in part by a failure among senior Omanis to understand how Washington works in addressing high-profile public issues such as TIP. In the mind of many Omani officials, the Sultanate is a close friend of the U.S. that has exposed itself to criticism and even potential security threats for the sake of furthering the bilateral relationship. The U.S.-Oman Base Access Agreement, which came under fire from Oman's GCC partners when first signed in 1980, and the critical role that Omani military facilities played in OEF/OIF are two examples post's contacts often cite in describing how Oman has gone to bat for Washington despite anti-American sentiment at home and in the region. That the U.S. would "stab its friend in the back" by placing Oman on Tier 3 after all it has done to help promote U.S. interests caused genuinely hurt and bitter feelings among Omani officials, including the Sultan (ref A). Moreover, in the minds of the Omani public, the government's well known relationship with the U.S. became impossible to understand in the face of such a "public insult."

AND THEY JUST DON'T GET IT

110. (C) The Ambassador and emboffs have repeatedly attempted to explain to Omanis that Oman's tier ranking was in no way a

political decision and primarily reflected the government's inadequate response to trafficking in the Sultanate, rather than the scope of TIP in Oman. Many senior Omanis, however, simply won't accept this explanation. They either refuse to believe that the Department acted solely on set, valid criteria in issuing tier rankings or hold that we could have chosen to keep Oman off the list of worst offenders in recognition of its status as a good friend and ally. As alleged evidence that the TIP rankings are based at least in part on purely political factors, some Omanis interlocutors point to the placement of the United Arab Emirates -- with which Oman maintains a relationship that is simultaneously cordial and strained -- and its enormous expatriate population and potentially huge pool of TIP victims, on Tier 12.

POINTS OF CONTENTION

11. (C) Feeding the belief of some officials that a negative political message lay behind Oman's Tier 3 ranking, as well as reinforcing resentment against the TIP report, is a list of perceived grievances against the United States that are interpreted as indicating Washington's displeasure with the Sultanate. These include:

-- REDUCTION OF FMF: From a high of USD 24.85 million in FY04, Foreign Military Financing (FMF) for Oman has since been on a steep downward slope, reaching only USD 4.7 million for FY08. Our explanations of limited funding and Congressional earmarks for other countries have not been well received, particularly as reduced FMF will impede modernization of Oman's military.

-- LACK OF SENIOR VISITS: The Omani government has welcomed a steady stream of high-level U.S. military visitors and appreciates meetings with and phone calls from Department officials. The Omanis, however, are not focused on just the number of visits, but also on the nature and rank of the visitor. In this regard, the Omanis have watched the movements of our most senior officials in the region and may feel left out. A few of our interlocutors have quietly commented that the Sultan and other senior leaders are disappointed that neither the President nor the Secretary has come to Muscat despite visiting every other country in the GCC (with the exception of Qatar). Post has assured the Omanis that the Sultanate was not by-passed by design, pointing, for example, to the Vice President's almost annual visits to Muscat. Some remain skeptical, however.

-- FTA: Over two years have passed since the President and the Sultan signed the U.S.-Oman Free Trade Agreement (FTA), but the trade deal has yet to enter into force. Causes for the delay primarily lie with Oman, which, in addition to a shortfall in government resources and coordination needed to expeditiously implement the FTA, seriously underestimated the amount of legislative, regulatory, technical and

MUSCAT 00000728 004 OF 005

administrative work required to fully comply with the Agreement's many provisions. Some senior Omanis, however, including Minister of Commerce and Industry Maqbool bin Ali bin Sultan, complain that unending nit-picking and requests for information by USTR, coupled with perceived shifting demands for changes to Oman's laws and regulations, have hampered the FTA while souring the overall mood towards the trade pact, especially in the Cabinet of Ministers. Oman's private sector, initially buoyed by prospects for new business ties with the U.S., has since become disillusioned.

HOW TO MOVE FORWARD

12. (S/NF) The feud between the U.S. and Oman over the

latter's TIP ranking coincidentally occurs during the 175th anniversary of formal U.S.-Omani ties, making our diplomatic relationship with the Sultanate our oldest in the Gulf and second only to Morocco's in the Middle East and North Africa region. The relationship has been remarkable for its "Amity," as the original Treaty of 1833 was titled, absence of conflict or tension, and for some historic acts. The latter include Oman's support for the 1979 Camp David Accords despite broader Arab League opposition, the 1980 Base Access Agreement with the U.S., and Oman's solid support during the first Gulf War and operations OEF and OIF. The quarrel sparked by the TIP ranking, the shocking -- albeit government-inspired -- public and media outcry and, most of all, Omani threat to "conduct a fundamental appraisal" (ref G) of its relations with us mark an unprecedented and potentially seriously damaging step back by one of our strongest and most important friends in the Gulf. Perhaps most important, as interlocutors have underscored, the TIP report was taken personally as an affront by the Sultan, an avowedly pro-Western, pro-U.S. ally throughout his nearly 38-year reign.

¶13. (S/NF) The U.S. can ill afford degradation in either the tone or substance of our relationship with this vital Gulf ally, especially as we face continuing threats to our interests in the region posed by Iran. Therefore, post believes quick and concrete action is both necessary and essential to reassure the Omanis and Sultan Qaboos of the value of this relationship. Given the depth of local feeling on the TIP issue, and the fact that Oman lacks understanding of how Washington works, verbal assurances from U.S. officials on the importance of U.S.-Oman relations will only go so far to mend the damage resulting from the outcry over Oman's Tier 3 ranking. In this instance, actions may indeed speak much louder than words. Below are several steps that the Department should consider taking to counter negative misperceptions among Omani officials and to strengthen our relations with this long-term, strategic ally.

-- INCREASE FMF: Post is encouraged that the FMF targets for Oman for FY09 and FY10 appear to be on an upwards trajectory. Determined advocacy by and within the Department to ensure that the FY09 request of USD 12 million becomes a reality is essential to build further trust and confidence in our bilateral security relationship. It will also aid in the modernization of Omani military forces and bolster future U.S. weapons sales to Oman.

-- FACILITATE ATACMS/HIMARS SALE: Oman remains persuaded that asymmetrical, terrorist operations launched by Tehran against Gulf states, including U.S. targets in these countries, pose a more immediate and realistic threat than missile attacks from Iran. Consequently, while the Omanis have little appetite for high-priced Patriot missiles, they have made acquisition of ATACMS/HIMARS a top priority due to its strong deterrent capability. However, due to the Sultanate's limited defense budget, which is small compared to budgets of the rest of the GCC, the Omanis have expressed a need for "creative financing" in purchasing ATACMS/HIMARS. Proactive efforts by the Department and DoD to facilitate Oman's acquisition of this hardware would be sincerely appreciated by Omani officials.

-- PUSH FORWARD FTA IMPLEMENTATION: To realize FTA implementation as quickly as is practically possible, post has strongly recommended that USTR identify the most critical outstanding issues for joint action by Omani and U.S. officials in the coming weeks (refs B, C). Once these matters are resolved, post proposes that USTR move forward with implementation under the condition that the Omani

MUSCAT 00000728 005 OF 005

government pledges to complete less critical items by a mutually agreed time. A planned visit by Ambassador Schwab to Muscat in October will bolster post's efforts to motivate

Oman to finalize all its FTA obligations.

-- NESA CENTER FORWARD OFFICE: Omani officials have been active participants in programs offered by the U.S. Department of Defense's Near East South Asia (NESA) Center for Strategic Studies. As it moves ahead with plans to establish a forward office in the region, post strongly encourages the NESA Center to select Oman as the venue. Oman would provide an ideal geographic location for the Center in addition to offering a secure and dependable operating environment. Establishing a forward office in Oman would also strengthen our security relationship and broaden overall bilateral ties by increasing the exposure of Omani leaders to U.S. ideas and policies.

-- VISA RECIPROCITY: Now is the time for the Department to authorize 60-month U.S. visas for Omani passport holders in tandem with Oman's granting of visas of reciprocal validity to American citizens. Oman has the fewest identified foreign fighters in Iraq and a visa refusal rate of only 1.41% for its nationals, but yet still suffers under the most restrictive reciprocity schedule of any Gulf country. (Indeed, Oman's refusal rate technically makes it eligible for consideration in the visa-waiver program.) Revising the reciprocity schedule would put Oman in line with most of its GCC neighbors and greatly assist post's efforts to promote tourism and business travel to the United States. Post understands that sustained and determined advocacy by the Department would be necessary to secure Department of Homeland Security (DHS) approval for a new reciprocity agreement.

FINAL THOUGHTS

¶14. (C) Taking the steps outlined above will not only strengthen U.S.-Oman relations, but will also advance our efforts to address TIP in Oman. As demonstrated in part by the harsh reaction to this year's TIP report, the Omani government does care about trafficking, but will not take action in response to public pressure or the threat of sanctions. Instead, a stronger, broad-based partnership between our two countries will increase Oman's responsiveness to our call for anti-TIP measures. Post believes that Oman is on track to adopt pending anti-trafficking legislation and we will continue to press senior Omani officials to move forward on elements of our TIP action plan. Making TIP more of a multilateral, versus bilateral, issue for Oman, however, would greatly help realize positive change. For this reason, post proposes working with the Omanis to invite a reputable international organization, such as the UN's Office on Drugs and Crime (UNODC) or International Labor Organization, to help address trafficking issues in Oman. Expanding such an assessment to cover other Gulf states would further check the government's defensiveness and firm its resolve to confront identified TIP problems.

¶15. (C) On the condition that Oman's tier ranking is moved from Tier 3 to Tier 2 Watch List, the Sultan is ready to leave behind this unfortunate but brief chapter in our otherwise strong bilateral relationship (ref A). While keeping in mind the insights gleaned from the TIP dispute and continuing our efforts to educate Omanis on the global TIP problem, we should likewise prepare to move forward with a keen eye towards preventing potential misunderstandings from ever rising to a similar dramatic level.
GRAPPO